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Part III—1

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FINANCE SECRETARIAT

NOTIFICATION

No. FD 1 RLG 70, dated Bangalore, the 29th June 1970.

5¾ Per Cent Mysore State Development Loan, 1982, issued at Rs. 100 and redeemable at par on 15th July 1982.

1. *Object.*—The loan will be utilised for the schemes included in the plan programme of the current year.

2. *Security for Loan.*—In accordance with Article 293 (1) of the Constitution of India, the loan will be secured on the Consolidated Fund of the State of Mysore.

The consent of the Central Government has been obtained to the floatation of this loan as required by Article 293 (3) of the Constitution of India.

3. *Description.*—The loan will be briefly described as the 5¾ Per Cent Mysore State Development Loan, 1982.

4. *Amount of issue.*—The amount of the loan will be Rupees 10·50 crores.

5. *Issue price.*—The issue price will be Rs. 100 for every Rs. 100 of the loan applied for.

6. *Subscriptions.*—Subscriptions will be received from 15th July 1970 to 21st July 1970, both days inclusive. Subscriptions may be in the form of cash/cheque or securities of 4¼ per cent Mysore State Development Loan, 1970. The loan will be closed without notice as soon as it appears that the total subscriptions in cash and securities of the 4¼ per cent Mysore State Development Loan, 1970 amount approximately to Rs. 10·50 crores and in any case not later than the close of business on 21st July 1970. The Government reserve the right to retain subscriptions received upto 10 per cent in excess of the sum of Rs. 10·50 crores.

7. *Partial Allotment.*—If the total subscriptions exceed the sum of Rs. 11·55 crores, partial allotment will be made to the subscribers in cash. If partial allotment is made, a proportionate refund will be made as soon as possible after allotment. No interest will be paid on the amounts so refunded.

8. *Date of Repayment.*—The loan will have a currency of 12 years from 15th July 1970 and will be repaid at par on the 15th July 1982.

9. *Interest.*—The loan will bear interest at the rate of $5\frac{3}{4}$ per cent per annum from 15th July 1970. Interest will be payable half-yearly on the 15th January and the 15th July and will be subject to tax under the Income-tax Act, 1961.

Refunds of tax deducted, if any, at the time of payment (at rates prescribed by the annual Finance Acts) will be obtainable by holders of the loan, who are not liable to tax or who are liable to tax at a rate lower than the rate at which tax was deducted. A holder who is not liable to tax or who is liable to tax at a rate lower than the prescribed rate can obtain, on application, a certificate from the Income-tax Officer of the District authorising payment of interest to him without deduction of tax or with deduction of tax at such lower rate as may be applicable to the holder.

10. *Place of payment of interest.*—Interest will be paid at any treasury or sub-treasury in the State of Mysore and at the Reserve Bank of India, Public Debt Offices at Bangalore, Bombay, Calcutta, Hyderabad, Jaipur, Kanpur, Madras, Nagpur, New Delhi and Patna.

11. *Conversion terms.*—(i) The securities of the $4\frac{1}{4}$ per cent Mysore State Development Loan, 1970 will be accepted at par in payment of subscription to the $5\frac{3}{4}$ per cent Mysore State Development Loan, 1982.

(ii) Interest on the securities of $4\frac{1}{4}$ per cent Mysore State Development Loan, 1970 will be paid at the rate of $4\frac{1}{4}$ per cent per annum upto and inclusive of 14th July 1970 at the time of issue of the new securities.

12. *Form of securities.*—The loan will be issued in the form of:—

(1) Stock, the applicants for which will be given Stock Certificates, or

(2) Promissory Notes.

If no preference is stated by the applicants, the securities will be issued in the form of Promissory Notes which are transferable by endorsement.

13. *Applications for loan.*—(1) Applications for the loan must be for Rs. 100 or multiples thereof.

(2) Applications will be received at :—

(*a*) the offices of the Reserve Bank of India, Bangalore, Bombay (Fort and Byculla), Calcutta, Hyderabad, Kanpur, Madras, Nagpur, New Delhi and Patna ;

(*b*) the branch of the State Bank of Bikaner and Jaipur at Jaipur ;

(*c*) the branches of the State Bank of Mysore and the State Bank of Hyderabad conducting Government Treasury work within the State of Mysore ; and

(*d*) the branches of the State Bank of India within the State of Mysore except at Bangalore and places covered by item (*c*).

(3) Applications may be made in the form attached hereto [printed copies of which are available at the places mentioned in sub-paragraph (2) above] or in any other form which states clearly the amount and description of the securities required, the full name and address of the applicant and the Public Debt Office or Treasury or Sub-Treasury at which he desires that interest shall be paid.

14. *Method of paying Subscriptions.*—Applications should be accompanied by the necessary payment in cash or by cheque or securities of the 4¼ per cent Mysore State Development Loan, 1970 for the amount of the loan applied for. Cheques tendered at offices of the Reserve Bank of India, the State Bank of Bikaner and Jaipur, State Bank of India, the State Bank of Mysore and the State Bank of Hyderabad should be drawn in favour of the Bank concerned. When a cheque is tendered in payment of the application money, the security will not be issued until the amount of the cheque has been realised.

15. *Brokerage.*—Brokerage will be paid at the rate of 6 Paise per Rs. 100 (Nominal) to recognised banks and brokers on allotments made in respect of applications for the loan tendered by them and bearing their stamp.

The claim for payment of brokerage should be preferred at the paying office within six months from the date of floatation of the loan.

16. *Depreciation Fund.*—The Government of Mysore will provide in each financial year from 1971-72 to 1981-82 inclusive, a sum equal to 1½ per cent of the total nominal amount of the loan to be used for purchasing the securities of the loan for cancellation.

17. *Sinking Fund.*—The Government of Mysore will also make such annual contributions to a Sinking Fund to be utilised towards the amortization of their open market loans, as they may from time to time decide to be necessary.

18. *Public Debt Office.*—The State Public Debt Office will be located at the Reserve Bank of India, Bangalore.

By Order and in the name of the Governor of Mysore,

MANI NARAYANSWAMI,
Secretary to the Government of Mysore,
Finance Department.

Printed by the Director of Printing, Stationery & Publications at the Govt. Press, Bangalore.

FORM OF APPLICATION

$5\frac{3}{4}$ Per Cent Mysore State Development Loan, 1982

I/We.....

.....herewith tender cash/cheque for Rs.*.....**

Securities of $4\frac{1}{4}$ per cent Mysore State Development Loan, 1970 of the nominal value of Rs.....and request that securities of the $5\frac{3}{4}$ per cent Mysore State Development Loan, 1982 of the nominal value of Rs.....may be issued to me/us in the form of Promissory Note(s) @ of the denomination stated below :—

Stock Certificate

.....Promissory Notes of Rs..... .....each
.....Promissory Notes of Rs.....each
.....Promissory Notes of Rs.....each

2. I/We desire that interest be paid at.....

N.B.—The applicant should not write anything in this cage. The entries will be filled in by the Public Debt Office.	Initials	Date
Application No.....		
N.B. Stamp.....		
Cash Received.....		
Cheque Realised.....		
Credited to Special Current Account.....		
Securities tendered for conversion.....		
Examined.....		
Cash/Conversion Applications Register posted.....		
Brokerage Register posted..		
Indent No.....		
Scrip No.....		
Card No.....		
Voucher passed on.....		

Signature.....

Name (in full)...

.....

Profession :—Service/Trading/Agriculturist / Business / Money lender/Independent Profession/others.....

(Please specify)

(Delete items not applicable)

Address .....

.....

Place.....

Dated..... July 1970

Note.—(i) Separate applications should be made for each form of scrip (Stock Certificate or Promissory Note) of the new loan required.

(ii) If the applicant's signature is by thumb mark, it should be witnessed by two persons. The full names, occupations and addresses of the witnesses should be appended to their signatures.

(iii) Securities tendered for conversion should be endorsed with the words "Pay to the Governor of Mysore" over the signature of the applicant, if they are in the form of Promissory Notes and the transfer deed on the back should be signed by him before a witness, if they are in the form of Stock Certificates.

(iv) If the application is made in the name of a registered body, the undernoted documents, if not already registered at the Public Debt Office, should be enclosed with the investment application :

(i) Certificate of Registration/Incorporation.

(ii) Memorandum and Articles of the Association or a certified copy of the Rules and Regulations/Bye-laws of body/company.

(iii) Certified copy of resolution in favour of the person authorised to deal in Government securities on behalf of the body/company.

*Figures and words to be written here.

@Promissory Notes will be issued in denominations of Rs. 100, Rs. 500, Rs. 1,000, Rs. 5,000, Rs. 10,000, Rs. 25,000, Rs. 50,000 and Rs. 1,00,000. State here the particular denominations required.

**Delete what is not required.

GOVERNMENT OF MYSORE

FINANCE DEPARTMENT

Press Communique, dated the 29th June 1970.

5¾ Per Cent Mysore State Development Loan, 1982.

Subscriptions in the form of Cash or Cheque or in the form of Securities of 4½ per cent Mysore State Development Loan, 1970, will be received from the 15th July 1970 to 21st July 1970 both days inclusive at the branches of the State Bank of Mysore, State Bank of Hyderabad and State Bank of India within the State of Mysore except at Bangalore as specified in the Government Notification and at the offices of Reserve Bank of India, Bangalore, Madras, Hyderabad, Bombay (Fort and Byculla), Calcutta, Kanpur, New Delhi, Nagpur and Patna and the branch of the State Bank of Bikaner and Jaipur at Jaipur for 5¾ per cent Mysore State Development Loan, 1982. Full details of the terms of the loan are contained in the Finance Department's Notification No. FD 1 RLG 70, dated the 29th June 1970 published in the Extraordinary issue of the *Mysore Gazette* of that date. The Loan proceeds will be utilised for financing the Development Schemes included in the plan programme of the current year, which are either fully productive, or if not technically fully productive, produce a return which taken along with the indirect benefits from the Schemes in each case, the Government consider sufficient to justify the execution of the Schemes.

2. According to Budget Estimates for the year 1970-71, Capital expenditure to the extent of Rs. 42·43 crores has been envisaged, the amount being partly met by Central Loan assistance and partly from State's resources.

3. *Debt Position*:—The Debt Position of the State of Mysore as on 31st March 1969 was as under:—

		(In crores of Rs.)
Public Loans		62·66*
Loans from Government of India and Floating Debt	...	307·18
		369·84

*Excluding share in respect of integrated areas.

The allocation of Public Debt in respect of integrated areas from *ex*-States of Bombay, Hyderabad and Madras, has not been finalised as per terms of States Reorganisation Act, 1956 though on a provisional basis, the allocation has been made on population ratio.

4. According to the Revised Estimates of 1969-70, the excess of Assets over Liabilities stood at about Rs. 114·92 crores including assets transferred to Mysore State Electricity Board, as under.—

Assets	(In crores of Rupees)		*Liabilities*	(In crores of Rupees)	
Capital	...	497·77	Loans from Public	...	65·88
Advances not bearing interest	...	3·07	Loans from Government of India and floating Debt	...	327·96
Loans and Advances by State Government	...	161·50	Other Loans	...	24·03
Remittances	...	4·50	Contingency Fund	...	4·00
Investments and Cash	...	11·57	Unfunded Debt	...	29·40
			Deposit and Advances etc.	...	112·22
			Excess of Assets over Liabilities		114·92
		678·41			678·41

The Sinking Fund accumulations would amount to about Rs. 51·57 crores on 31st March 1970. The financial position of the State is sound.

5. Provision is made for interest and redemption charges in the estimates for 1970-71 as under :—

Government of India Loan .

			(In crores of Rupees)
Interest Charges	...	...	15·25
Repayment	...	...	45·96
Public Debt :			
Interest Charges	...	...	4·41
Repayment	...	...	5·79
Sinking Fund Contribution	...	...	20·26
			91·67

MANI NARAYANSWAMI,

Secretary to Government,
Finance Department.

Printed by the Director of Printing, Stationery and Publications at the Govt. Press, Bangalore.